Initiatives Subcommittee
Co-chaired by Department of General Services and Offices of Minority Affairs

Call commenced at 11:00 AM.

I.   **Attendees**
Devan Perry -BPW-
egr@granixllc.com * (Raglin)
Gabriel Gnall -BPW-
Gail Bassette -DGS-
Herb Jordan -GOMA-
Jamie Tomaszewski -DBM- (Sec. Brinkely designee)
jgontrum@comp.state.md.us *
Jimmy Rhee -GOMA-
Mark Newgent -GOV-
RICHARD TABUTEAU -GOV-
Suzette Moore -DGS-
Al Bullock -DoIT- (Sec. Garcia designee)
dan.morhaim@house.state.md.us *
hbogdan@mdnonprofit.org *
Merril Oliver -Grants-
Paul Beatty -GOV- *
Sheila McDonald -BPW-
Betsy Jackson -DoIT-
Chantal Kai-Lewis -GOV-
danmorhaim@gmail.com *
Diane Jennings -GOV-
Jack Howard -DGS- *
James KingJr -GOMA-
Janice Montague -GOMA-
rlipford@arelarchitects.com * (Ron Lipford)
Sarah Pope -DGS-
Shannon Marino -GOV- *
Cheryl Brigette-Chapman's designee

PART 1

II.   **Opening**
   a. Sec. Bassette provides welcome remarks
   b. Sec. Rhee
      i. Encourage parties to review background reports, which will be forwarded in
          eFormat to encourage a common understanding:
          1. Treya report
          2. **DLS- Review of Maryland's Procurement Policies and Procedures**
   c. Deputy Sec. Jordan
      i. Purpose of call is to make sure we all have a clear understanding of our outcome at
          a very high level (i.e., allow for efficacious procurement of goods and services)

d. Comments

    i. Del. Morhaim

        1. eMaryland market needs to be much more user friendly and adaptable

    ii. Gabe Gnall

        1. Some topics (such as eMaryland) are being discussed in other workgroups. Include valuable input you gain from other subcommittees.

III. Discussion of Objectives

a. *Expanding Small Business Reserve Program to all agencies*

    i. Sec. Rhee explains the state of small businesses in MD

        1. Triangle with state procurement at the apex; goal of inclusion of the bottom of the triangle

        2. Stagnant pool discussion

        3. Quality vs. quantity/ vertical vs. horizontal

    ii. Comments

        1. Del. Morhaim encourages a closer look at the structure of state's socioeconomic initiatives. On one hand, we are trying to do a social good, but we need to consider the best interest of the taxpayers by way of value/quality of services to the state. Also, given the limited size of the public procurement space, expanding SBR may cause harm elsewhere.

            a. We have **a lot of set asides**- do these all make sense as they are currently formatted?

            b. *Example: there is Maryland Correctional Enterprises and Blind Industries and Services of Maryland (BISM) – they get first stab at a lion's share of the state's procurements. There's been legislation over the years to do an audit of these firms.*

            c. Consortiums contracts and volume discounting (consortium contracts go on forever and makes it difficult for small business to compete)

            d. Info requested

                i. Names of top companies monopolizing the MBE space

        2. Janice

            a. By way of Sec. Rhee's agency dashboard meetings, we are encouraging agencies to strategically plan/analyze their forecasted spending to avert the risk of doing harm to certain business groups versus elevating others

b. *Expand small procurement limit and single purchase limit for corporate purchase cards (CPC)*

    i. Gabe Gnall, BPW

        1. By expanding small procurement limits you are forfeiting oversight over these procurements. Control agencies that normally would have oversight of procurements over 25k, would no longer have that authority.

     a. *Suzette Moore, DGS adds*-- with this we would need some sort of reporting requirement so that these procurements could still have some quality control measures.

     b. Janice suggests the formulation of a report on small procurement spending like that which go to the BPW

    2. Making CPC holders more autonomous could be problematic as cardholders do not always do the right thing

  c. **Simplify MBE certification process**

    i. Herb talks about online applications as opposed to snail mail; recent MDOT certification reform

    ii. Mark Zimmerman, MDOT

     1. Is there a way for a vendor to have a universal account that goes across all agencies? A one stop shop for MBEs who don't have to keep filling out the same forms

     2. How to remedy instances where MBEs are not yet certified, but should be certified by the time of contract award

    iii. Comments

     1. Gabe Gnall, BPW- eMaryland should be the repository for vendors

     2. Devan Perry, BPW - talk to Periscope to see what our options or limitations are

     3. Sec. Bassette- We should hold eMaryland concerns/recommendations for DoIt efficiencies workgroup

     4. Del. Morhaim question regarding the MBE program structure

      a. MBE program gets people into a program where they eventually graduate-- **how many firms actually graduate?**

 d. **Establish standards allowing State to obtain overall best value instead of only lowest price**

    i. Gabe- most of the issues that fall within this objective would require statutory and regulatory changes. Currently, "Competitive sealed proposals" is the preferred method in the state and thus, changes will require some statutory action and changes to COMAR to alter.

PART II.

- Discussion of methods to achieve four objectives—i.e., creation of subgroups within this Subcommittee
    - Flow of reporting:
        - Subgroups → Initiatives Subcommittee → Commission to Modernize State Procurement
- Larger commission meeting. April 21. Subgroups should meet prior and report to Initiative Subcommittee

Recommended Subgroup Breakdown

- GOMA Lead→   Expand SBR Program to all agencies
- DGS Lead→   Expand small procurement limit and single purchase limit for CPC
- GOMA Lead, MDOT→   Simplify MBE certification process
- DBM, BPW, DGS, Mark Newgent:

  Establish standards allowing State to obtain overall best value instead of only lowest price

Follow up:

- Al Bullock to determine the best way to communicate amongst members
- Herb- if there are broader issues that impact all of the subcommittees. For example, centralized vs decentralized- consider within subgroups
- Send soft copies of two background reports to participants
- Determine committee membership – e-mail your desire participation to herb.jordan@maryland.gov
  - Send notice of subgroup formations to GOMA, DGS leads, Mark Newgent, Devan Perry

Call ended 11:56 AM.